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Canada, Banking and Commerce,
"Committee on (Senate)"

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2nd Session, 24th Parliament, 1959

THE SENATE OF CANADA



PROCEEDINGS

OF THE

STANDING COMMITTEE

ON

BANKING AND COMMERCE

To whom was referred the Bill C-25, intituled: "An Act to amend
the St. Lawrence Seaway Authority Act."

The Honourable **SALTER A. HAYDEN**, Chairman

TUESDAY, MARCH 10th, 1959

WITNESS:

Mr. B. J. Robert, Chairman of the St. Lawrence Seaway Authority.

REPORT OF THE COMMITTEE

BANKING AND COMMERCE

The Honourable Salter Adrian Hayden, Chairman

The Honourable Senators

*Aseltine	Golding	Pouliot
Baird	Gouin	Power
Beaubien	Haig	Pratt
Bois	Hardy	Quinn
Bouffard	Hayden	Reid
Brunt	Horner	Robertson
Burchill	Howard	Roebuck
Campbell	Hugessen	Taylor (<i>Norfolk</i>)
Connolly (<i>Ottawa West</i>)	Isnor	Thorvaldson
Crerar	Kinley	Turgeon
Croll	Lambert	Vaillancourt
Davies	Leonard	Vien
Dessureault	*Macdonald	Wall
Emerson	McDonald	White
Euler	McKeen	Wilson
Farquhar	McLean	Woodrow—50.
Farris	Monette	
Gershaw	Paterson	

**ex officio member.*

(Quorum 9)

ORDER OF REFERENCE

Extract from the Minutes of the Proceedings of the Senate.

MONDAY, March 9, 1959

"Pursuant to the Order of the Day, the Senate resumed the postponed debate on the motion of the Honourable Senator Choquette, seconded by the Honourable Senator Emerson, for the second reading of the Bill C-25, intituled: "An Act to amend the St. Lawrence Seaway Authority Act".

After debate, and—

The question being put on the motion, it was—
Resolved in the affirmative.

The Bill was then read the second time.

The Honourable Senator Choquette moved, seconded by the Honourable Senator Emerson, that the Bill be referred to the Standing Committee on Banking and Commerce.

The question being put on the motion, it was—
Resolved in the affirmative."

J. F. MacNEILL,
Clerk of the Senate.

REPORT OF THE COMMITTEE

TUESDAY, March 10, 1959.

The Standing Committee on Banking and Commerce to whom was referred the Bill (C-25), intituled: "An Act to amend the St. Lawrence Seaway Authority Act", have in obedience to the order of reference of March 9th, 1959, examined the said Bill and now report the same without any amendment.

All which is respectfully submitted.

SALTER A. HAYDEN,
Chairman.

MINUTES OF PROCEEDINGS

TUESDAY, March 10, 1959.

Pursuant to adjournment and notice the Standing Committee on Banking and Commerce met this day, after consideration of other bills, at 11.00 a.m.

Present: The Honourable Senators: Hayden, *Chairman*; Aseltine, Beau-bien, Bois, Brunt, Burchill, Connolly (*Ottawa West*), Crerar, Croll, Golding, Haig, Isnor, Lambert, Leonard, Macdonald, McDonald, McKeen, Pouliot, Power, Pratt, Reid, Robertson, Taylor (*Norfolk*), Turgeon, Wall, White, Wilson and Woodrow. 28.

In attendance: Mr. E. Russell Hopkins, Law Clerk and Parliamentary Counsel and the Official Reporters of the Senate.

Bill C-25, An Act to amend the St. Lawrence Seaway Authority Act, was considered.

Heard in explanation of the Bill: Mr. B. J. Robert, Chairman of the St. Lawrence Seaway Authority.

Also in attendance: Messrs. C. W. West, member of the St. Lawrence Seaway Authority and P. E. R. Malcolm, Secretary and Director of the Administration of the St. Lawrence Seaway Authority.

On MOTION of the Honourable Senator Aseltine, seconded by the Honourable Senator Haig it was RESOLVED to report recommending that authority be granted for the printing of 600 copies in English and 200 copies in French of the proceedings on the said Bill.

On MOTION of the Honourable Senator Aseltine, seconded by the Honourable Senator Haig, it was RESOLVED to report the Bill without any amendment.

At 11.30 a.m. the Committee proceeded to the consideration of other Bills.
Attest.

Gerard Lemire,
Clerk of the Committee.

THE SENATE

STANDING COMMITTEE ON BANKING AND COMMERCE

EVIDENCE

OTTAWA, Tuesday, March 10, 1959

The Standing Committee on Banking and Commerce, to whom was referred Bill C-25, to amend the St. Lawrence Seaway Authority Act, met this day at 12 o'clock.

Senator Salter A. Hayden in the Chair.

The CHAIRMAN: We now have before us Bill C-25. Mr. B. J. Roberts, President of the St. Lawrence Seaway Authority, is here to answer any questions. The bill is a simple one, and is very modest in its demands, having regard to the amounts of money for which we have been asked for in connection with other projects. This involves really only \$35 million.

Senator CROLL: At this time.

The CHAIRMAN: Yes, at this time. Does anyone wish to ask questions of Mr. Roberts?

Senator WALL: This is not directly concerned with the bill itself, but could Mr. Roberts tell us when the deepening of the locks and channel in Sault Ste. Marie area is to take place? Is there not going to be a bottleneck in that area?

Mr. B. J. Roberts, President of the St. Lawrence Seaway Authority: Yes. That is the responsibility of the United States Corps of Engineers and I think the date of completion is 1962 or 1963. The Minister of Transport made a statement in the house about three weeks ago with respect to that.

Senator ISNOR: I would like to ask Mr. Roberts a question. Is this \$35 million to be used entirely for development?

Mr. ROBERTS: For construction.

The CHAIRMAN: For additional construction.

Mr. ROBERTS: To pay for the scheme as now planned.

The CHAIRMAN: Additional construction?

Mr. ROBERTS: To pay for the scheme as now planned; the construction costs of the Seaway, in accordance with the plan that was determined and provided in the 1951 act.

The CHAIRMAN: Is it for extra work or for increased cost of doing the work?

Mr. ROBERTS: To some extent it is increased cost, and extra work. The Minister of Transport, when the bill was before the House of Commons, listed a number of works which really had not been planned for in the original estimates, amounting to some \$104 million. The chief items in general terms would be the additional cost of bridges over and above what had been anticipated previously in the Messina section, just south of Montreal; and the dredging in the international section, which was arranged between the two Governments by an exchange of notes subsequent to the production of the original estimate on costs of the Seaway.

Senator McDONALD (*Kings*): Has this money already been spent?

Mr. ROBERTS: No. At the moment we estimate by the end of March our total payment will be \$270 million out of an original \$300 million as borrowing power provided for in the act of 1951. The budget of expenditures for the current year is \$52,500,000. So, we will be up to \$270 million, plus \$52 million to the end of 1959. There are still some expenses for dredging and other items which will be carried over into 1960.

Senator ISNOR: My question was not so much as to the cost and increased costs of the whole development, but rather as to the bills outstanding and accounts being incurred at the present time as incidental expenses. How are they going to be taken care of? I am thinking of such matters as the cost of ice breaking last winter. Would that be an outstanding liability, and how will it be charged?

Mr. ROBERTS: That was not a cost to the Seaway authority, but to the Department of Transport, St. Lawrence Channel Services.

Senator ISNOR: I just wanted to establish that, Mr. Chairman. The entire cost is borne by the Department of Transport, is that right?

Mr. ROBERTS: Yes; it has nothing to do with the Seaway.

Senator ISNOR: All such expenditures last year, the year before, and in future years will be taken care of by the Department of Transport?

Mr. ROBERTS: Well, the responsibility of the Seaway Authority is to construct and operate the Seaway, which commences just near the Jacques Cartier Bridge in Montreal. We have nothing to do with the ship channel or the harbour of Montreal, except in so far as the turning basin for the Seaway at its easterly limit is the harbour of Montreal.

Senator ISNOR: Mr. Chairman, I think this is an important question, dealing with the expenditures in the future of the Department of Transport, and of course its estimates will have to be brought down. I don't think Mr. Roberts has answered my question. It is a simple question, as to whether such expenditures as the cost of ice breaking will in future be charged to the Department of Transport.

The CHAIRMAN: I do not think Mr. Roberts should be called upon to answer that question. He is the President of the Seaway Authority. He has said that the expenditure in 1958 was not an expenditure of the Seaway Authority, but of the Department of Transport. That immediately takes it out of the subject matter of this bill. But as to future policy, I do not know that Mr. Roberts in his present position can say what will happen next year or any year after that. I am just calling his attention to the dangers inherent in any answer he may give.

Senator PRATT: Are we now only dealing with costs of construction of the Seaway?

The CHAIRMAN: Yes.

Senator PRATT: And this has nothing to do with its operations?

The CHAIRMAN: These items do not deal with the operation?

Mr. ROBERTS: No.

Senator REID: What is the total expenditure on the Seaway?

Mr. ROBERTS: The approved budget of costs on the Seaway was presented to Parliament a short time ago for \$329 million, the accumulated total expenditures to take care of the work done to date, the balance to be done in 1959 and 1960. The difference between the \$329 million and the \$335 million which is put in here as the borrowing authority is to take care of unknown responsibilities.

Senator PRATT: You are anticipating that this amount here asked for is calculated to be the limit of what may be required in Seaway construction?

Mr. ROBERTS: According to our best ideas at present.

Senator ISNOR: I certainly do not want to ask for any information to which I am entitled, and I know that Mr. Roberts is well able to take care of himself. I know too by experience that he is a very able administrator. I just wanted to establish the fact for the future, and particularly perhaps as regards the past, 1958, as to this expenditure: he has stated definitely that it is now under the Department of Transport. That is what I want to establish.

The CHAIRMAN: Are you ready for the motion to approve the bill? The bill is reported without amendment.

I want a motion to print.

Senator ASELTINE: I move that 600 copies of the report be printed in English, and 200 in French.

Senator HAIG: Seconded.

Motion agreed to.

The CHAIRMAN: Shall the preamble carry?

Carried.

Shall the title carry?

Carried.

Shall I report the bill?

Agreed.

